

CCS HS SCS SB 299 & 40 -- MISSOURI SUNSET ACT; PERFORMANCE-BASED BUDGETING

MISSOURI SUNSET ACT

This bill creates the Missouri Sunset Act. Each new program authorized by the General Assembly will sunset after a period not to exceed six years. A program may be re-authorized for up to 12 years.

Two years prior to a program's scheduled sunset, the agency responsible for administering the program is required to submit certain information to the Committee on Legislative Research regarding the public need for the continuation of the program. The committee is to hold hearings and issue a report to the General Assembly with recommendations on whether the program should be continued, reorganized, discontinued, or consolidated within state agencies not being reviewed. Any recommendations not requiring statutory changes are to be presented to the State Auditor and used in the next scheduled audit of the program to review the agency's implementation of the recommendations.

Programs inactive for two years prior to the scheduled sunset may be exempted from hearing, evaluation, and reporting requirements. During each legislative session, committee staff is required to monitor proposed legislation affecting programs that have undergone review and periodically report to the committee any proposed changes that would modify prior committee recommendations. The General Assembly retains the right to terminate any program prior to the program's scheduled sunset. Any program to which money has been appropriated prior to August 28, 2003, may be subject to review as provided in the bill and recommended for termination or continuation.

A program that is to sunset will continue in existence until June 30 of the following year. Any moneys remaining after the sunset are to be transferred to the General Revenue Fund. Property and records are to be transferred to the Office of Administration or the designated state agency. Bonded indebtedness and other written obligations are to remain in effect until the terms are completed and paid in full.

The committee may inspect the records of any state agency and will have the full cooperation of state agencies and officials. Any state employee displaced by the sunset of a program will be assisted in relocating by the state agency and the Division of Employment Security.

PERFORMANCE-BASED BUDGETING

The bill requires the Director of the Division of Budget and Planning to develop and implement a performance-based budgeting system that establishes goals and objectives, provides detailed measures of program and fund performance against attainment of planned goals, and provides for program evaluation. The Governor may consider outcome measures used for each program and fund as compared with the attainment of the established goals of the program and fund over the preceding three fiscal years in preparing budget recommendations to the General Assembly. The General Assembly is to consider the three preceding fiscal years' outcome measures and attainment of goals and objectives for each program and fund in approving appropriation levels for each program and fund.

The Governor's annual budget recommendations are to include all outcome measures and attainment of established goals and objectives of each program and fund for the preceding three fiscal years, the current fiscal year, and the following two fiscal years; the most recent reports submitted by the State Auditor's Office; and any evaluations done by the Oversight Division of the Committee on Legislative Research.

Beginning January 1, 2005, the bill requires a performance-based budgeting review of each department and agency at least once every five years. The chairpersons of the House Budget Committee and the Senate Appropriations Committee and the Director of the Division of Budget and Planning are required to review the outcome measures used for programs and funds within the department, division, or agency being reviewed.